



July 18, 2007

CHAIR  
**BILL CAMPBELL**  
Supervisor  
Third District

VICE CHAIR  
**JOHN WITHERS**  
Director  
Irvine Ranch Water District

**ROBERT BOUER**  
Councilmember  
City of Laguna Woods

**PETER HERZOG**  
Councilmember  
City of Lake Forest

**JOHN MOORLACH**  
Supervisor  
2<sup>nd</sup> District

**ARLENE SCHAFFER**  
Director  
Costa Mesa  
Sanitary District

**SUSAN WILSON**  
Representative of  
General Public

ALTERNATE  
**PAT BATES**  
Supervisor  
5<sup>th</sup> District

ALTERNATE  
**PATSY MARSHALL**  
Councilmember  
City of Buena Park

ALTERNATE  
**RHONDA MCCUNE**  
Representative of  
General Public

ALTERNATE  
**CHARLEY WILSON**  
Director  
Santa Margarita  
Water District

**JOYCE CROSTHWAITE**  
Executive Officer

**TO:** Local Agency Formation Commission

**FROM:** Executive Officer  
Senior Project Manager

**SUBJECT:** Proposed Sphere of Influence Review for the City of  
Huntington Beach (SOI 06-02A)

### **BACKGROUND**

On March 8, 2006, your Commission received and filed the Municipal Service Review (MSR) and Sphere of Influence (SOI) report for the City of Huntington Beach. While the MSR determinations included the city's boundary and adjacent unincorporated areas (Bolsa Chica Ecological Reserve and Beach/McFadden area), the Commission directed staff to continue a review of the City's SOI to include the proposed annexation of territory located within the Bolsa Chica area and potential sphere adjustments involving the Beach/McFadden island (Attachment A).

### **What's Happened Since March 8<sup>th</sup>?**

Over the past year, staff has worked with the City of Huntington Beach regarding the annexation of both unincorporated areas located within its SOI. Discussions have included annexation of the Bolsa Chica Ecological Reserve (approximately 1,600 acres) and the potential adjustment of the city's SOI to exclude the Beach/McFadden area (approximately 41 acres).

### **BOLSA CHICA ECOLOGICAL RESERVE**

In May 2006, an application was filed with LAFCO by Hearthside Homes for the proposed annexation of approximately 111 acres of the Bolsa Chica Ecological Reserve. The proposal includes a residential development (Brightwater Development) of 390 single-family units. While the area is not included in the City of Huntington Beach's General Plan, the City has begun the process to amend their General Plan to include it. To avoid delaying the Brightwater Development, the property owner (Hearthside Homes), filed a request with LAFCO to approve an Out-of-area Service Agreement (OASA) that would allow Huntington Beach to extend retail water and sewer services to the Brightwater Project prior to annexation of the area to the City. After review of the agreement, on June 5, 2006, the

Executive Officer approved and executed the OAS agreement between Hearthside Homes and City of Huntington Beach subject to the terms and conditions referenced therein (Attachment B). In compliance with Government Code Section 56133(b), the agreement was approved with anticipation of a later change of organization. It is expected that the proposed annexation of the project will come before the Commission in the latter part of this year.

More recently, the Huntington Beach City Council directed its staff to include in the city's 2007-2008 budget funding resources to complete a feasibility study for annexation of the remainder of the unincorporated Bolsa Chica area. LAFCO staff will continue to work with the City on this issue and encourage annexation of the remaining Bolsa Chica area.

#### *BEACH/MCFADDEN ISLAND*

The Beach/McFadden island includes a 41-acre unincorporated area located between the Cities of Huntington Beach and Westminster. Municipal services to the area are provided by the County of Orange, City of Westminster (provides water service), and the Midway City Sanitary District (provides local sewer and solid waste services).

During the MSR process and earlier review of Huntington Beach's SOI, the City expressed no interest in annexing the Beach/McFadden area. Over the past year, staff has engaged in discussions with the Cities of Huntington Beach and Westminster regarding a potential sphere adjustment for the area that would include removing the area from the Huntington Beach SOI and placing the area within the Westminster SOI. Both cities have indicated support of the sphere adjustments for the area (Attachments C and D).

#### **HUNTINGTON BEACH EXISTING SPHERE OF INFLUENCE (SOI)**

The City's existing SOI was originally adopted in 1973 and last comprehensively reviewed by LAFCO on March 8, 2006, excluding the Bolsa Chica Ecological Reserve and Beach/McFadden island. Consisting of approximately 19,359 acres, the City of Huntington Beach's sphere of influence includes the existing city limits and the two adjacent unincorporated areas – the Bolsa Chica Ecological Reserve (approximately 1,588 acres) and Beach/McFadden area (approximately 41 acres). The SOI has remained unchanged since 1989.

Staff recommends that the Commission amend the current City of Huntington Beach sphere of influence (See Exhibit 1) to exclude the Beach/McFadden unincorporated area by adopting resolution SOI 06-02A (Attachment E) and the SOI statement of determinations for the city (Attachment F).

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

LAFCO is the lead agency under CEQA (California Environmental Quality Act) for sphere of influence reviews. Staff completed an initial study, and it was determined that amendment of the sphere of influence for the City of Huntington Beach would not have a significant effect on the environment as determined by CEQA. Accordingly, a Draft Negative Declaration (Attachment G) was prepared and noticed in accordance with existing guidelines for implementing CEQA.


Additionally, staff recommends that the Commission certify that, based upon the Negative Declaration, the Sphere of Influence Review and Update of the City of Huntington Beach will have no potential effect on fish, wildlife and habitat, as defined in Section 711.4(c) of the Fish and Game Code. An exemption request has been filed with the California Department of Fish and Game and is referenced as Attachment H.

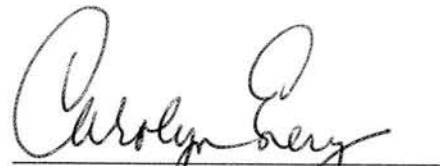
### **RECOMMENDATIONS**

Staff recommends that the Commission:

1. Adopt the form of resolution for the City of Huntington Beach Sphere of Influence Review and Update (SOI 06-02A) amending the current SOI for the City of Huntington Beach to exclude the Beach/McFadden island (Attachment E).
2. Adopt the SOI Statement of Determinations for the City of Huntington Beach (Attachment F).
3. Adopt the Draft Negative Declaration prepared for the proposed City of Huntington Beach Sphere of Influence Review and Update (Attachment G).
4. Certify the Finding Statements for the California Department of Fish and Game (Attachment H).

Respectfully submitted,

  
JOYCE CROSTHWAITE

  
CAROLYN EMERY

Attachment E: LAFCO Resolution – SOI Review & Update  
Attachment F: SOI Statement of Determinations for City of Huntington Beach  
Attachment G: DRAFT Negative Declaration for City of Huntington Beach SOI Review & Update  
Attachment H: Finding Statements for California Department of Fish and Game

Exhibit 1: Amended Sphere of Influence for City of Huntington Beach



March 8, 2006

CHAIR  
**ROBERT BOUER**  
Councilmember  
City of Laguna Woods

VICE CHAIR  
**BILL CAMPBELL**  
Supervisor  
Third District

**PETER HERZOG**  
Councilmember  
City of Lake Forest

**ARLENE SCHAFER**  
Director  
Costa Mesa  
Sanitary District

**SUSAN WILSON**  
Representative of  
General Public

**TOM WILSON**  
Supervisor  
Fifth District

**JOHN WITHERS**  
Director  
Irvine Ranch Water District

ALTERNATE  
**PATSY MARSHALL**  
Councilmember  
City of Buena Park

ALTERNATE  
**RHONDA MCCUNE**  
Representative of  
General Public

ALTERNATE  
**JAMES W. SILVA**  
Supervisor  
Second District

ALTERNATE  
**CHARLEY WILSON**  
Director  
Santa Margarita  
Water District

**JOYCE CROTHWAITE**  
Executive Officer

**TO:** Local Agency Formation Commission

**FROM:** Executive Officer  
Project Manager

**SUBJECT:** Proposed Municipal Services Review and Sphere of Influence Review for the City of Huntington Beach (MSR 06-01 and SOI 06-02)

### BACKGROUND

The attached report includes the Municipal Service Review (MSR) and Sphere of Influence (SOI) review and update for the City of Huntington Beach. LAFCOs are required by statute (Government Code Section 56430) to conduct MSRs as a way to assist agencies and residents by: (1) evaluating existing municipal services, and (2) identifying any future constraints or challenges that may impact service delivery in the next 15 to 20 years.

LAFCOs are also required to complete Sphere of Influence (SOI) reviews in conjunction with Municipal Service Reviews for each city and special district at least once every five years. SOIs identify an agency's ultimate service boundary within a 15-year time horizon. An SOI is used as a long range planning tool that guides future LAFCO decisions on individual jurisdictional boundary changes.

### MUNICIPAL SERVICE REVIEW (MSR)

No significant issues were identified. However, a government structure option identified in the MSR report addressed the unincorporated community of Sunset Beach. Sunset Beach is bordered by the City on the north, south, and east and, currently some municipal services to the area are provided by the City. Sunset Beach will likely face significant challenges in the next 15 to 20 years and the MSR report identifies the City of Huntington Beach as the most logical service provider to the Sunset Beach area.

Staff is recommending that the Commission receive and file the MSR report (**Attachment A**) and adopt the nine MSR determinations contained therein.

#### **SPHERE OF INFLUENCE (SOI)**

The City's existing SOI was originally adopted in 1973 and last comprehensively reviewed by LAFCO in 1989. Consisting of approximately 19,359 acres, the City of Huntington Beach's sphere of influence includes the existing city limits and two adjacent unincorporated areas – the Bolsa Chica Ecological Reserve (approximately 1,588 acres) and a small island (approximately 41 acres) located at Beach/McFadden Avenues, sandwiched between the Cities of Huntington Beach and Westminster. Annexations to the City have been relatively few and the SOI has remained unchanged since 1989.

Spheres generally identify territory that will likely receive municipal services from a city in the next 15 years. Recently, LAFCO has engaged in discussions with Huntington Beach and landowners within the Bolsa Chica Reserve area regarding potential annexations. Because of potential annexation applications in this area, the portion of the City's sphere of influence that includes the Bolsa Chica area is not included in this SOI review. Instead, the SOI for this area will be reviewed and presented concurrently with the Hearthside Homes proposal. Should the City propose annexation of the remaining Bolsa Chica area that application will also be reviewed at that time.

At this time, the City has expressed no interest in annexing the 41-acre area located at Beach/McFadden Avenues. Staff recommends contacting the City of Westminster to explore any interest in annexation of the area.

The unincorporated community of Sunset Beach is bordered to the north, south and east by the City of Huntington Beach and historically has not been placed within any city's sphere of influence. The City of Huntington Beach currently provides some services to the community including water, transmission of wastewater, and emergency services (via automatic and mutual aid). In review of the factors that the Commission must consider pursuant to Government Code Section 56425, staff recommends that the community of Sunset Beach be placed within the City of Huntington Beach Sphere of Influence.

Staff recommends that the Commission receive and file the Huntington Beach SOI report (**Attachment A**), amending the City's Sphere of Influence to include the unincorporated community of Sunset Beach, adopt the SOI Statement of Determinations for the City of Huntington Beach sphere as contained therein.



## CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

### *City of Huntington Beach Municipal Services Review*

LAFCO is the lead agency under CEQA for municipal service reviews. As a general rule, MSRs are not subject to the provisions of the California Environmental Quality Act (CEQA) because they are only feasibility or planning studies for *possible* future action that LAFCO has not approved (Cal. Pub. Res. Code § 21150). However, a Draft Negative Declaration for the City of Huntington Beach MSR has been prepared in light of the annexation application that has been filed with LAFCO for an area located within the Bolsa Chica Ecological Reserve and potential inclusion of a coastal area (Sunset Beach) in the City's Sphere of Influence. (**Attachment B**, Draft Negative Declaration for Municipal Service Review for the City of Huntington Beach) The Draft Negative Declaration was prepared and noticed in accordance with existing guidelines for implementing CEQA.

### *City of Huntington Beach Sphere of Influence Review*

LAFCO is the lead agency under CEQA (California Environmental Quality Act) for sphere of influence reviews. Staff completed an initial study, and it was determined that adoption of the sphere of influence for the City of Huntington Beach would not have a significant effect on the environment as determined by CEQA. Accordingly, a Draft Negative Declaration (**Attachment C**) was prepared and noticed in accordance with existing guidelines for implementing CEQA.

Additionally, staff recommends that the Commission certify that, based upon these Negative Declarations, the Municipal Service Review and Sphere of Influence Review and Update of the City of Huntington Beach will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code, and direct staff to file *de minimus* statements with California Wildlife, Fish and Game (**Attachment D & E**).

## RECOMMENDATIONS


Staff recommends that the Commission:

1. Receive and file the Municipal Service Review/Partial Sphere of Influence Report for the City of Huntington Beach (**Attachment A**).
2. Adopt the Draft Negative Declaration (**Attachment B**) prepared for the Municipal Service Review.
3. Adopt the Draft Negative Declaration (**Attachment C**) prepared for the proposed Sphere of Influence update.
4. Certify the *De Minimus* Impact Finding Statements for the California Wildlife, Fish and Game Department (**Attachment D& E**).

5. Adopt the resolution for the City of Huntington Beach Municipal Service Review adopting the nine MSR determinations (**Attachment F**).
6. Adopt the resolution for the City of Huntington Beach Sphere of Influence Update adopting the Statement of Determinations and amending the current SOI for the City of Huntington to include the unincorporated community of Sunset Beach (**Attachment G**) per the attached (*Exhibit 1*).

Respectfully submitted,

  
JOYCE CROSTHWAITE

  
CAROLYN EMERY

Attachments:

- Attachment A: MSR/SOI Report
- Attachment B: Draft Negative Declaration for MSR
- Attachment C: Draft Negative Declaration for Partial SOI Review & Update
- Attachment D: De Minimus Statement of Findings for MSR
- Attachment E: De Minimus Statement of Findings for Partial SOI Review & Update
- Attachment F: LAFCO Resolution – MSR
- Attachment G: LAFCO Resolution – SOI Review & Update
- Attachment H: Comment Letters

Exhibit 1: Amended Sphere of Influence for City of Huntington Beach



**SIGNAL LANDMARK REORGANIZATION  
TO THE CITY OF HUNTINGTON BEACH (RO 05-60)  
AGREEMENT BETWEEN  
SIGNAL LANDMARK AND  
THE CITY OF HUNTINGTON BEACH**

**THIS AGREEMENT** is made this 5<sup>TH</sup> day of JUNE, 2006, between Signal Landmark, a California corporation, hereinafter referred to as "Owner," and the City of Huntington Beach, a California municipal corporation, hereinafter referred to as "City."

**WHEREAS**, Owner is the owner of certain real property, hereinafter referred to as "the Subject Property," consisting of approximately 105.3 acres located within unincorporated Orange County, and further described in the legal description attached hereto as Exhibit "A" and incorporated by this reference as though fully set forth herein; and

Owner is developing a phased residential project, hereinafter referred to as "the Project," on the Subject Property pursuant to entitlement approvals received from the County of Orange, and requires the use of City's water and sewer systems and the right to connect to City's existing water and sewer mains which are contiguous to the Subject Property; and

Owner has agreed to the annexation of the Subject Property to the City of Huntington Beach on the terms and conditions set forth in the Pre-annexation Agreement between the Owner and the City of Huntington Beach dated January, 2006; and  
DECEMBER 12, 2005 *RE*

City is willing to consent to the connection of the Project to City's water and sewer system as set forth in the Preannexation Agreement between Owner and City dated January, 2006; and on the condition that the Owner permit said annexation to the City at the earliest possible time; and  
DECEMBER 12, *RE*

The Orange County Local Agency Formation Commission ("LAFCO") policy on out-of-area agreements provides that LAFCO shall approve this agreement for service outside of the City's jurisdictional boundaries only in anticipation of a change of organization (i.e., annexation to the city); and

NOW, THEREFORE, the parties agree as follows:

1. Owner hereby gives its irrevocable consent to annexation of the Subject Property to the City at such time as the annexation may be properly approved through appropriate legal proceedings, and Owner does further agree to provide all reasonable cooperation and assistance to the City in the annexation proceedings. Said cooperation is contemplated to include signing any applications or consent prepared by the City and submitting any evidence reasonably within the control of Owner to the various hearings required for the annexation. Said cooperation does not include, however, an obligation on behalf of Owner to institute any litigation or judicial proceedings whatsoever to compel the annexation to the City.

2. The City hereby agrees to authorize the connection of the Project to be developed on Owner's property to City's water and sewer systems. Said connection to the water and sewer system shall be permitted by City at such time as Owner's development has progressed to the point that water and sewer connections to the mains would normally occur whether or not annexation has yet occurred.

3. Upon approval of the extension of services outside of the City boundaries by LAFCO, City agrees to provide water and sewer services to the Project prior to annexation to the City on the following terms and conditions:

a. Payment by Owner to City of Water Connection Fees in the amount of Four Thousand Eight Hundred Dollars (\$4,800.00) per unit, payable at the time of the issuance of building permits for each unit.

b. Payment by Owner to City of Sewer Connection Fees in the amount of One Thousand Seven Hundred Forty-nine Dollars (\$1,749.00) per unit, payable at the time of issuance of building permit for each unit.

c. Payment by Owner to City of standard water and sewer service fees at the same rates as charged to City customers.

d. Owner shall bear the cost of constructing all infrastructure required to provide water and sewer service to the Project.

e. Owner shall pay all costs of annexation of the Subject Property to the Orange County Sanitation District.

f. Owner shall pay any and all fees that may be charged by LAFCO.

g. Owner agrees to be bound by all City ordinances, rules and regulations regarding the water and sewer systems.

4. This Agreement shall be recorded.

5. The Owner shall develop the Project in accordance with the approved entitlements, and shall construct the Project pursuant to all applicable County Codes, including, but not limited to Zoning, Engineering and Building and Safety Codes.

6. As part of this Agreement, Owner and City agree to defend, indemnify, hold harmless, and release LAFCO, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this agreement and adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney fees, or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the approval of this

Agreement, whether or not there is concurrent passive or active negligence on the part of LAFCO, its agents, officers, attorneys, or employees.

7. This Agreement shall be effective on the date it is executed by both parties and approved by LAFCO, and shall remain in effect until the later of (a) the recordation of the final phase of the annexation, or (b) September 1, 2011. If the final phase of annexation is not recorded by September 1, 2011, LAFCO may record annexation of any remaining unrecorded phases to the City, to be effective upon recordation.

8. Owner has executed this Agreement on behalf of itself, its successors and assigns, and the Agreement shall be irrevocable without the prior written consent of both parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers on JUNE 5, 2006.

OWNER:  
Signal Landmark  
A California corporation

CITY:  
City of Huntington Beach  
A California municipal corporation

By: [Signature]  
Its: **President and  
Chief Executive Officer**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

[Signature]  
Mayor

[Signature]  
City Clerk

APPROVED AS TO FORM:

[Signature]  
City Attorney

5/16/06

REVIEWED AND APPROVED:

[Signature]  
City Administrator

INITIATED AND APPROVED:

[Signature]  
Deputy City Administrator

5/15/06

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

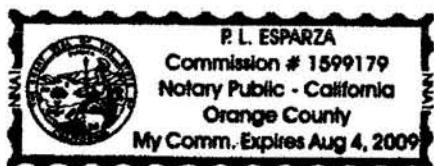
} SS.

On June 8, 2006, before me, P. L. Esparza, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Dave Sullivan  
Name(s) of Signer(s)

- ☒ personally known to me  
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Signature of Notary Public

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

### Description of Attached Document

Title or Type of Document: Signal Landmark Reorganization to the City of Huntington Beach (RO 05-60) Agreement Between Signal Landmark and the City of Huntington

Document Date: June 5, 2006 Beach Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: Joan L. Flynn, City Clerk

### Capacity(ies) Claimed by Signer

Signer's Name: Dave Sullivan

- ☐ Individual  
☒ Corporate Officer — Title(s): Mayor  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: The City of Huntington Beach

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

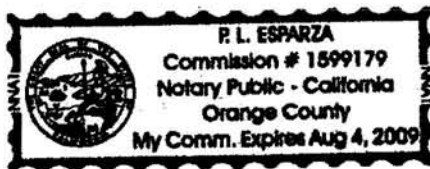
} ss.

On June 13, 2006, before me, P. L. Esparza, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Joan Flynn, City Clerk  
Name(s) of Signer(s)

- ☐ personally known to me  
☒ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

P. L. Esparza  
Signature of Notary Public

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

### Description of Attached Document

Title or Type of Document: Agreement Between Signal Landmark and City of Huntington Beach

Document Date: June 5, 2006 Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: Dave Sullivan, Mayor

### Capacity(ies) Claimed by Signer

Signer's Name: Joan Flynn, City Clerk

- ☐ Individual  
☒ Corporate Officer — Title(s): City Clerk  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

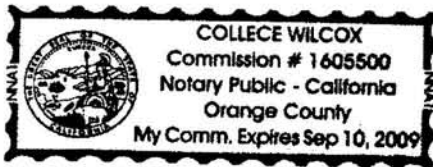
Signer Is Representing: City of Huntington Beach, A California Municipal Corporation

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

STATE OF CALIFORNIA    )  
                                      )  
COUNTY OF ORANGE    )       ss.

On May 18, 2006, before me, the undersigned, a Notary Public for the State of California, personally appeared, Raymond J. Pacini, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.



Notary Public Collece Wilcox  
Collece Wilcox  
My Commission Expires: September 10, 2009

DESCRIPTION OF ATTACHED DOCUMENT:

Signal Landmark Reorganization  
To the City of Huntington Beacy (RO 05-60)  
Agreement between Signal Landmark  
and the City of Huntington Beach  
Annexation



**BRIGHTWATER LEGAL AND EXHIBIT**

THAT PORTION OF PARCEL 2 OF CERTIFICATE OF COMPLIANCE NO. CC 92-01, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA, PER DOCUMENT RECORDED SEPTEMBER 2, 1992 AS INSTRUMENT NO. 92-589755 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY CORNER OF LOT B OF TRACT NO. 15734, AS PER MAP FILED IN BOOK 797, PAGES 41 THROUGH 43, INCLUSIVE, OF MISCELLANEOUS MAPS IN SAID OFFICE OF THE COUNTY RECORDER;

THENCE, ALONG THE SOUTHWESTERLY LINE OF SAID TRACT NO. 15734, SOUTH 34°02'08" EAST, 604.67 FEET;

THENCE, ALONG THE SOUTHERLY LINE OF SAID TRACT NO. 15734, NORTH 89°58'30" EAST, 323.00 FEET TO THE NORTHWESTERLY CORNER OF THE LAND DESCRIBED IN A QUITCLAIM DEED RECORDED NOVEMBER 3, 1959 IN BOOK 4960, PAGE 87 OF OFFICIAL RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER;

THENCE, ALONG THE WESTERLY LINE OF SAID LAND DESCRIBED IN THE QUITCLAIM DEED, SOUTH 00°10'29" WEST, 555.39 FEET TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE HAVING A BEARING AND DISTANCE OF "SOUTH 55°55'23" WEST, 109.74 FEET" IN THE NORTHERLY BOUNDARY OF AN "IRREVOCABLE OFFER OF DEDICATION IN FEE FOR OPEN SPACE, HABITAT ENHANCEMENT AND PUBLIC ACCESS PURPOSES" RECORDED DECEMBER 05, 2005 AS INSTRUMENT NO. 2005000970073, OFFICIAL RECORDS IN SAID OFFICE OF THE COUNTY RECORDER;

THENCE, ALONG SAID NORTHERLY BOUNDARY OF SAID OFFER OF DEDICATION, THE FOLLOWING COURSES;

SOUTH 55°55'23" WEST, 109.74 FEET;  
SOUTH 55°49'21" WEST, 127.09 FEET;  
SOUTH 44°24'16" WEST, 82.15 FEET;  
SOUTH 73°47'18" WEST, 29.41 FEET;  
SOUTH 61°37'27" WEST, 60.35 FEET;  
SOUTH 62°25'42" WEST, 53.70 FEET;  
SOUTH 62°41'17" WEST, 50.15 FEET;  
SOUTH 72°35'28" WEST, 100.45 FEET;  
SOUTH 55°44'37" WEST, 114.79 FEET;  
SOUTH 49°22'16" WEST, 39.37 FEET;  
SOUTH 70°15'15" WEST, 41.57 FEET;  
SOUTH 88°31'08" WEST, 17.51 FEET;  
NORTH 89°31'28" WEST, 66.14 FEET;  
SOUTH 88°05'41" WEST, 55.11 FEET;  
SOUTH 83°39'51" WEST, 31.84 FEET;  
SOUTH 67°55'12" WEST, 18.88 FEET;  
SOUTH 68°56'57" WEST, 52.58 FEET;

NORTH 86°59'00" WEST, 50.59 FEET;  
 NORTH 75°24'12" WEST, 53.32 FEET;  
 NORTH 82°53'05" WEST, 51.28 FEET;  
 SOUTH 71°21'20" WEST, 52.46 FEET;  
 SOUTH 71°21'20" WEST, 69.49 FEET;  
 NORTH 79°52'55" WEST, 58.33 FEET;  
 NORTH 61°27'07" WEST, 46.07 FEET;  
 NORTH 69°40'17" WEST, 81.44 FEET;  
 NORTH 70°13'12" WEST, 82.15 FEET;  
 NORTH 65°40'24" WEST, 65.61 FEET;  
 NORTH 42°28'44" WEST, 56.43 FEET;  
 NORTH 00°59'06" WEST, 56.77 FEET;  
 NORTH 06°51'35" WEST, 63.77 FEET;  
 NORTH 26°39'54" WEST, 223.33 FEET;  
 NORTH 28°36'51" WEST, 11.33 FEET;  
 NORTH 30°07'51" WEST, 30.77 FEET;  
 NORTH 52°20'02" WEST, 54.33 FEET;  
 NORTH 67°42'57" WEST, 54.44 FEET;  
 NORTH 89°59'40" WEST, 57.23 FEET;  
 SOUTH 80°24'06" WEST, 89.21 FEET;  
 SOUTH 89°29'48" WEST, 38.89 FEET;  
 NORTH 60°57'47" WEST, 42.04 FEET;  
 NORTH 41°24'03" WEST, 73.54 FEET;  
 NORTH 56°55'08" WEST, 60.01 FEET;  
 NORTH 65°45'31" WEST, 52.06 FEET;  
 NORTH 81°57'37" WEST, 52.88 FEET;  
 NORTH 89°07'36" WEST, 62.01 FEET;  
 NORTH 86°21'40" WEST, 69.25 FEET;  
 NORTH 86°43'43" WEST, 56.26 FEET;  
 NORTH 78°10'38" WEST, 40.65 FEET;  
 NORTH 54°51'52" WEST, 68.81 FEET;  
 NORTH 46°45'26" WEST, 75.55 FEET;  
 NORTH 35°52'55" WEST, 62.38 FEET;  
 NORTH 46°17'27" WEST, 83.58 FEET;  
 NORTH 51°46'41" WEST, 64.01 FEET;  
 NORTH 55°55'52" WEST, 64.00 FEET;  
 NORTH 61°16'51" WEST, 60.49 FEET;  
 NORTH 63°11'08" WEST, 68.02 FEET;  
 NORTH 60°09'04" WEST, 64.11 FEET;  
 NORTH 59°29'13" WEST, 33.61 FEET;  
 NORTH 44°03'25" WEST, 45.80 FEET;  
 NORTH 43°39'48" WEST, 64.06 FEET;  
 NORTH 35°50'56" WEST, 39.41 FEET;  
 NORTH 34°55'24" WEST, 326.74 FEET;  
 NORTH 00°00'00" EAST, 75.93 FEET TO THE NORTHERLY LINE OF  
 PARCEL 2 OF SAID CERTIFICATE OF COMPLIANCE CC 92-01;

THENCE, ALONG SAID NORTHERLY LINE, SOUTH 89°12'47" EAST, 546.98  
 FEET;

THENCE, CONTINUING ALONG SAID LINE, SOUTH 89°21'32" EAST, 2001.00  
 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF SAID PARCEL 2 OF CERTIFICATE OF COMPLIANCE NO. CC 92-01, AS DESCRIBED IN SAID "IRREVOCABLE OFFER OF DEDICATION IN FEE FOR OPEN SPACE, HABITAT ENHANCEMENT AND PUBLIC ACCESS PURPOSES" RECORDED DECEMBER 05, 2005 AS INSTRUMENT NO. 2005000970073, OFFICIAL RECORDS IN SAID OFFICE OF THE COUNTY RECORDER.

CONTAINING AN AREA OF 105.247 ACRES, MORE OR LESS.

ALSO AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

SUBJECT TO COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS AND RIGHTS-OF-WAY OF RECORD, IF ANY.



PREPARED BY:  
STANTEC CONSULTING INC  
UNDER THE DIRECTION OF:

A handwritten signature in dark ink, appearing to read "L. Schamber", written over a horizontal line.

LORYNE A. SCHAMBER, P.L.S. 7408

JUNE 01, 2006  
J.N. 2042 341410

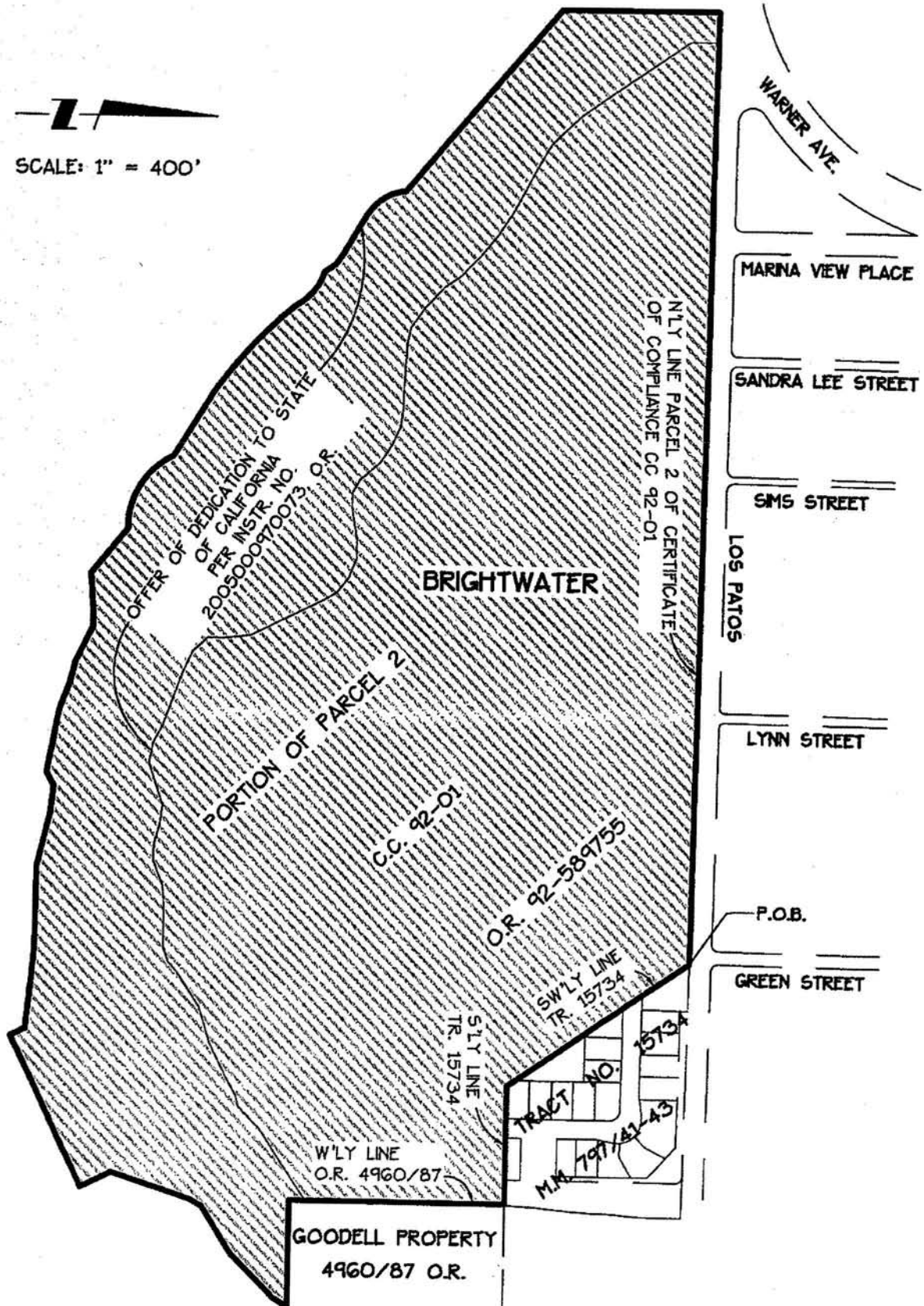
# EXHIBIT 'B'

SHEET 1 OF 1

IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF ORANGE,  
STATE OF CALIFORNIA



SCALE: 1" = 400'





# City of Huntington Beach

2000 Main Street • Huntington Beach, CA 92648

Penelope Culbreth-Graft, DPA *City Administrator*

April 3, 2007

RECEIVED  
APR 6 2007

LOCAL AGENCY FORMATION COMMISSION

Ms. Joyce Crosthwaite, Executive Officer  
Ms. Carolyn Emery, Senior Project Manager  
Orange County Local Agency Formation Commission  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

**Subject: Huntington Beach Sphere of Influence**

Dear Ms. Crosthwaite/Ms. Emery:

Per your request, Huntington Beach city staff has reviewed the proposed amendment to the City's sphere of influence as it relates to the unincorporated island northwest of Beach Blvd. and McFadden adjacent to the City of Westminster.

Huntington Beach city staff would support a sphere amendment designating this island be incorporated within the City of Westminster's sphere of influence. Should you have any questions, please contact Paul Emery, Deputy City Administrator, at (714) 536-5482.

Sincerely,

Dr. Penelope Culbreth-Graft  
City Administrator



# City of Westminster

CIVIC CENTER  
8200 WESTMINSTER BOULEVARD  
WESTMINSTER, CALIFORNIA 92683  
(714) 898-3311

MARGIE L. RICE  
MAYOR

KERMIT D. MARSH  
MAYOR PRO TEM

FRANK G. FRY  
COUNCIL MEMBER

ANDY QUACH  
COUNCIL MEMBER

TRI TA  
COUNCIL MEMBER

RAMON SILVER  
CITY MANAGER

April 12, 2007

Ms. Joyce Crosthwaite, Executive Director  
Orange County Local Agency Formation Commission  
12 Civic Center Plaza, Room 235  
Santa Ana, CA 92701

**Subject: City of Westminster Sphere of Influence**

Dear Ms. Crosthwaite:

At their April 11, 2007 meeting, the Westminster Mayor and City Council approved the sending of a letter of support to the Local Agency Formation Commission (LAFCO) supporting the change of the Beach/McFadden Island to the City of Westminster Sphere of Influence.

The purpose of this letter is to notify you of the Council's action to support this Sphere change. The City looks forward to working with you and the County on the completion of the Fiscal Analysis.

Sincerely,

Ramon Silver  
City Manager

CC: Thomas Mauk, County of Orange  
Chief Executive Officer

RECEIVED  
APR 17 2007

LOCAL AGENCY FORMATION COMMISSION



SOI 06-02A

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
OF ORANGE COUNTY, CALIFORNIA  
MAKING DETERMINATIONS AND APPROVING THE  
SPHERE OF INFLUENCE FOR THE CITY OF HUNTINGTON BEACH**

**July 18, 2007**

On motion of Commissioner \_\_\_\_\_, duly seconded and carried, the following resolution was adopted:

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission ("LAFCO") adopt spheres of influence for all agencies in its jurisdiction and to update those spheres every five years; and

WHEREAS, the sphere of influence is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, proceedings for adoption, update and amendment of a sphere of influence are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act, Section 56000 et seq. of the Government Code; and

WHEREAS, California Government Code Section 56430 requires that in order to prepare and to update spheres of influence the Commission shall conduct municipal service reviews prior to or in conjunction with action to update or adopt a sphere of influence; and

WHEREAS, this Commission adopted the Municipal Service Review Statement of Determinations for the City of Huntington Beach (MSR 06-01) on March 8, 2007; and

WHEREAS, the report for the sphere of influence update for the City of Huntington Beach (SOI 06-02A) contains statements of determination as required by California Government Code Section 56430 for the municipal services provided by the city; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set July 18, 2007 as the hearing date on this sphere of influence study proposal and gave the required notice of public hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has reviewed this proposal and prepared a report, including her recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the proposal consists of the designation and amendment of a sphere of influence for the City of Huntington Beach; and

WHEREAS, this Commission called for and held a public hearing on the proposal on July 18, 2007 and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, this Commission considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56841; and

WHEREAS, LAFCO, as the lead agency under CEQA (California Environmental Quality Act) for sphere of influence reviews, completed an initial study and determined that adoption and amending of the sphere of influence for the City of Huntington Beach would not have a significant effect on the environment as defined in CEQA.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Orange DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Environmental Actions:

- a) LAFCO, as the lead agency, has determined that adoption and amendment of the sphere of influence for the City of Huntington Beach will not have a significant effect on the environment as defined in CEQA. The Commission has therefore adopted a Negative Declaration for the sphere of influence review and update.
- b) The Executive Officer is instructed to file the Negative Declaration with the County Clerk in accordance with CEQA.
- c) The sphere of influence review and update will have no potential effect on fish, wildlife and habitat, as defined in Section 711.4(c) of the Fish and Game Code. An exemption request has been filed with the California Department of Fish and Game.

Section 2. Determinations

- a) The Commission accepts the report for the sphere of influence review and update for the City of Huntington Beach (SOI 06-02A) as presented to the Commission on July 18, 2007.
- b) The Executive Officer's recommendation for the amendment to the sphere of influence of the City of Huntington Beach to remove the unincorporated Beach/McFadden area from the City of Huntington Beach sphere of influence.
- c) The Commission has adopted the accompanying Statement of Determinations for the City of Huntington Beach, shown as "Attachment A."
- d) The Commission hereby amends the City of Huntington Beach's current sphere of influence as previously determined by Resolution No. 73-85 as shown on the attached map labeled "Exhibit 1."

Section 3. This review is assigned the following distinctive short-form designation: "Sphere of Influence Review and Update for the City of Huntington Beach" (SOI 06-02A).

Section 4. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.

AYES:

NOES:

STATE OF CALIFORNIA    )  
  ) SS.  
COUNTY OF ORANGE     )

I, BILL CAMPBELL, Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 18<sup>th</sup> day of July, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand this 18<sup>th</sup> day of July, 2007.

**ATTACHMENT E**

BILL CAMPBELL  
Chair of the Orange County  
Local Agency Formation Commission

By: \_\_\_\_\_  
Bill Campbell

DRAFT

# ATTACHMENT A

## Statement of Determinations – City of Huntington Beach Sphere of Influence Update

(As adopted by the Commission on July 18, 2007)

### *The present and planned land uses in the area, including agricultural and open-space lands.*

Development within the City of Huntington Beach's existing boundaries is largely built-out. The city's 19,359-acre sphere of influence is located in Northern Orange County. To the east, along the Santa Ana River, are the Cities of Newport Beach and Costa Mesa; to the east and north are the Cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean. The Huntington Beach sphere of influence includes two unincorporated areas – the Bolsa Chica Ecological Reserve and a 41-acre area located in the northeastern section of the city that is fully developed.

### *The present and probable need for public facilities and services.*

The present and future need for services is addressed through the City of Huntington Beach's General Plan, budget, and seven-year capital improvement program to ensure that city services match projected growth.

### *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

The City of Huntington Beach and other service providers have adequate capacity and facilities to serve current and future land uses located within and adjacent to the city's jurisdictional boundaries.

### *The existence of any social or economic communities of interest in the area (if the commission determines that they are relevant to the agency).*

The residences, industries and commercial facilities that are located within city limits and adjacent unincorporated communities share social and economic interest in their activities. On March 8, 2006, it was noted in the sphere of influence review for the City of Huntington Beach that because of the close proximity of the unincorporated community of Sunset Beach to the City of Huntington Beach, there may be common social and economic communities of interest involving residents from the community and the City. Currently, the city provides limited services (water and transmission of wastewater) to the community that is virtually surrounded by the City of Huntington Beach. During the MSR process conducted in 2006, Sunset Beach representatives stated strong opposition to the future annexation of their community to any city, and expressed the strong desire to maintain their community's identity as a separate unincorporated community. On March 8, 2007, the Commission decided not to place the community within the City of Huntington Beach sphere of influence.

## Statement of Determinations – City of Huntington Beach Sphere of Influence Review and Update

(As adopted by the Commission on July 18, 2007)

**The present and planned land uses in the area, including agricultural and open-space lands.**

Development within the City of Huntington Beach's existing boundaries is largely built-out. The city's 19,359-acre sphere of influence is located in Northern Orange County. To the east, along the Santa Ana River, are the Cities of Newport Beach and Costa Mesa; to the east and north are the Cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean. The Huntington Beach sphere of influence includes two unincorporated areas – the Bolsa Chica Ecological Reserve and a 41-acre area located in the northeastern section of the city that is fully developed.

**The present and probable need for public facilities and services.**

The present and future need for services is addressed through the City of Huntington Beach's General Plan, budget, and seven-year capital improvement program to ensure that city services match projected growth.

**The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The City of Huntington Beach and other service providers have adequate capacity and facilities to serve current and future land uses located within and adjacent to the city's jurisdictional boundaries.

**The existence of any social or economic communities of interest in the area (if the commission determines that they are relevant to the agency).**

The residences, industries and commercial facilities that are located within city limits and adjacent unincorporated communities share social and economic interest in their activities. On March 8, 2006, it was noted in the sphere of influence review for the City of Huntington Beach that because of the close proximity of the unincorporated community of Sunset Beach to the City of Huntington Beach, there may be common social and economic communities of interest involving residents from the community and the City. Currently, the city provides limited services (water and transmission of wastewater) to the community that is virtually surrounded by the City of Huntington Beach. During the MSR process conducted in 2006, Sunset Beach representatives stated strong opposition to the future annexation of their community to any city, and expressed the strong desire to maintain their community's identity as a separate unincorporated community. On March 8, 2007, the Commission decided not to place the community within the City of Huntington Beach sphere of influence.



**DRAFT NEGATIVE DECLARATION**

|   |  |   |
|---|--|---|
| 1.  | Name or description of project:  | City of Huntington Beach Sphere of Influence Review and Update (SOI 06-02)  |
| 2.  | Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name): | The City of Huntington Beach is approximately 27.7 square miles and is located in northwest Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean. |
| 3.  | Entity or Person undertaking project:  | Orange County Local Agency Formation Commission (LAFCO)<br>12 Civic Center Plaza<br>Room 235<br>Santa Ana, CA 92701   |
| A.  |  |   |
| B. Other (Private)  |  |   |
| (1)   | Name:  |   |
| (2)   | Address:   |   |
| <p>The Commission, having reviewed the Initial Study of this proposed project and having reviewed the written comments received prior to the public meeting of the Commission, including the recommendation of the Commission's Staff, does hereby find and declare that the proposed project will not have a significant effect on the environment. A brief statement of the reasons supporting the Commission's findings are as follows:</p> <p>The Commission hereby finds that the proposed project cannot, or will not, have a significant effect on the environment. Negative Declaration status is therefore granted for this project and preparation of an Environmental Impact Report is thereby not necessary</p> <p>The Commission hereby finds that the Negative Declaration reflects its independent judgment. A copy of the Initial Study may be obtained at:</p> <p style="text-align: center;">Orange County Local Agency Formation Commission (LAFCO)<br/>12 Civic Center Plaza<br/>Room 235<br/>Santa Ana, CA 92701</p> |  |   |
| Phone No.:  |  | (714) 834-2556  |
| <p>The location and custodian of the documents and any other material which constitute the record of proceedings upon which the Agency based its decision to adopt this Negative Declaration are as follows:</p> <p style="text-align: center;">Orange County Local Agency Formation Commission (LAFCO)<br/>12 Civic Center Plaza<br/>Room 235<br/>Santa Ana, CA 92701</p>  |  |   |
| Phone No.:  |  | (714) 834-2556  |

Date Received  
for Filing: \_\_\_\_\_

\_\_\_\_\_  
Joyce Crosthwaite, Executive Officer



DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>  
Environmental Review and Permitting  
1416 Ninth Street, Suite 1260  
Sacramento, California 95814



ATTACHMENT H

**CEQA Filing Fee No Effect Determination Form**

**Applicant Name:** Orange County LAFCO

**Date Submitted:** 7/06/07

**Applicant Address:** 12 Civic Center Plaza, Room 235, Santa Ana, CA 92701

**Project Name:** City of Huntington Beach Sphere of Influence Review and Update

**CEQA Lead Agency:** Orange County LAFCO

**CEQA Document Type:** (ND, MND, EIR) ND

**SCH Number and/or local agency ID number:** SOI 06-02A

**Project Location:** The City of Huntington Beach is approximately 27.7 square miles and is located in northwest Orange County. To the east, along the Santa Ana River, are the cities of Newport Beach and Costa Mesa; to the east and north are the cities of Fountain Valley and Westminster; to the north is the City of Seal Beach; and to the west is the Pacific Ocean.

**Brief Project Description:** In accordance with Government Code Section 56425, LAFCO is required to review an agency's sphere of influence every five years. LAFCO is required to establish a sphere of influence to identify probable future boundaries and service areas of all cities and special districts. Placing a community within a city's sphere of influence does not change the current municipal service providers to that area, but it does indicate that LAFCO has determined that the city is the logical, long-term service provider for that area.

The existing sphere of influence for the City of Huntington Beach is coterminous with the city's jurisdictional boundary and also includes the unincorporated areas of the Bolsa Chica Ecological Reserve and Beach/McFadden Avenues. The proposed sphere of influence review for the City of Huntington Beach includes the city's jurisdictional boundary, unincorporated Bolsa Chica, and removing the 41-acre small unincorporated area located at Beach and McFadden Avenues and placing the area within the City of Westminster's sphere of influence. The area commonly referred to as the "Beach/McFadden" area currently receives its municipal services from the County of Orange (police, fire, planning, building permits, etc.) and the City of Westminster (water), and Midway City Sanitary District (sewer and solid waste). Removing the Beach/McFadden unincorporated area from the City of Huntington Beach sphere of influence has no effect on current service providers to the area or the City of Huntington Beach.

The attached maps show the former sphere of influence for the City of Huntington Beach and the new sphere of influence which excludes the Beach/McFadden unincorporated area.

---

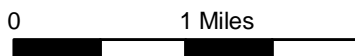
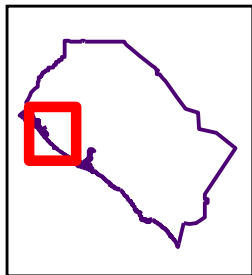
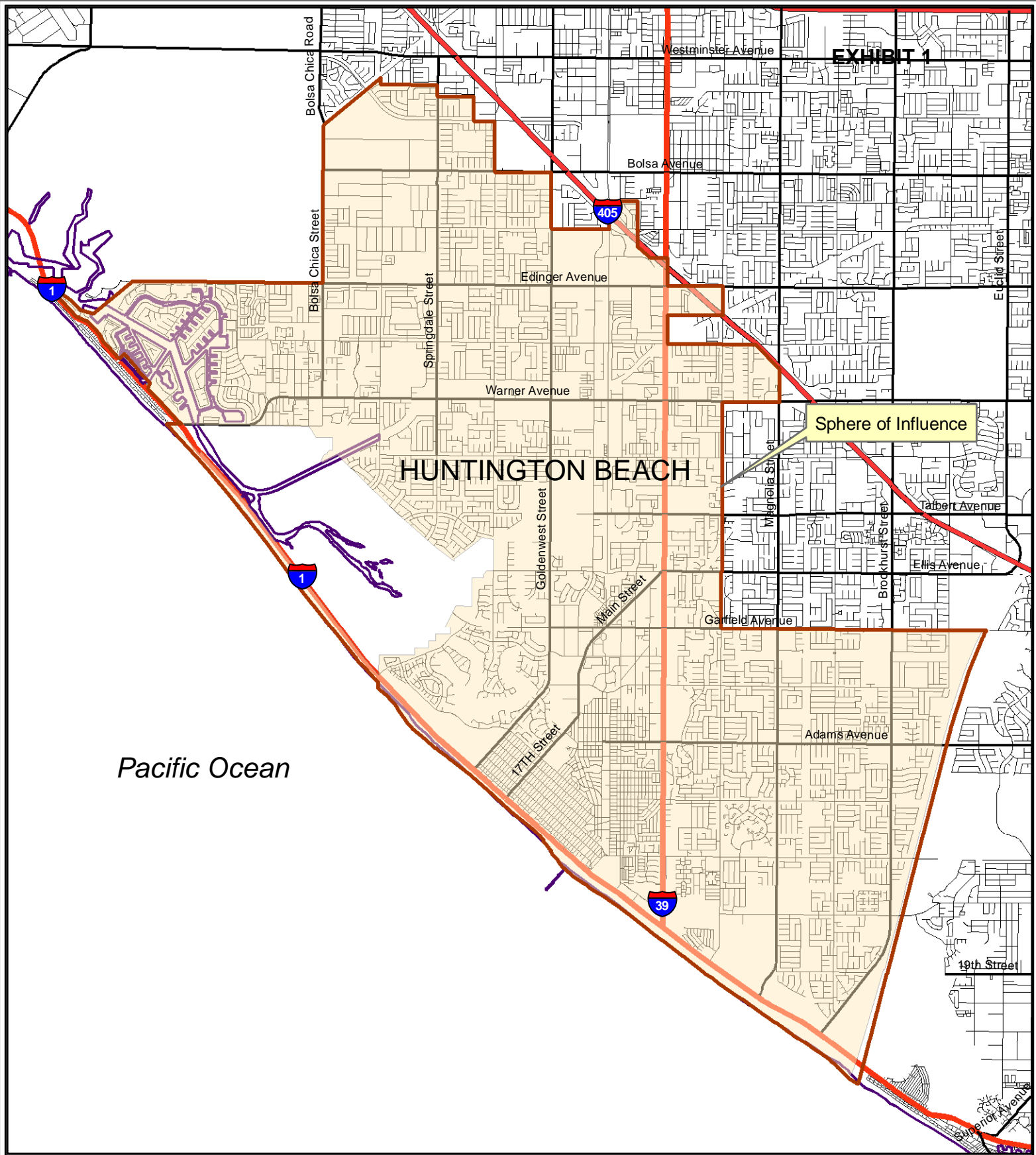
**Determination:** Based on a review of the Project as proposed, the Department of Fish and Game has determined that for purposes of the assessment of CEQA filing fees [F&G Code 711.4(c)] the project has no potential effect on fish, wildlife and habitat and the project as described does not require payment of a CEQA filing fee. This determination does not in any way imply that the project is exempt from CEQA and does not determine the significance of any potential project effects evaluated pursuant to CEQA.

Please retain this original determination for your records; you are required to file a copy of this determination with the County Clerk after your project is approved and at the time of filing of the CEQA lead agency's Notice of Determination (NOD). If you do not file a copy of this determination with the County Clerk at the time of filing of the NOD, the appropriate CEQA filing fee will be due and payable.

Without a valid No Effect Determination Form or proof of fee payment, the project will not be operative, vested, or final and any local permits issued for the project will be invalid, pursuant to Fish and Game Code Section 711.4(c)(3).

DFG Approval By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_



### Legend

- Huntington Beach SOI
- City of Huntington Beach

## City of Huntington Beach Sphere of Influence Map Proposed Adjustment

SOI Originally Adopted: 06/13/73  
Last Reviewed: 03/08/06

7/5/07